

AMENDED IN ASSEMBLY APRIL 5, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1913

Introduced by Assembly Member Davis

February 16, 2010

An act *to add Section 20139 to the Government Code*, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1913, as amended, Davis. Retirement: pension fund.

The Public Employees' Retirement Law creates the Public Employees' Retirement Fund, which is a trust fund created and administered solely for the benefit of the members and retired members of this system and their survivors and beneficiaries. The Board of Administration of the Public Employees' Retirement System has the exclusive control of the administration and investment of the retirement fund.

~~This bill would declare the intent of the Legislature to enact legislation to encourage equal opportunity, and to establish quantifiable goals, for state pension fund utilization of emerging investment managers in the management of assets in specific asset classes~~ *require the board, on or before January 1, 2012, to adopt a policy that sets forth a goal to utilize emerging investment managers, as defined, to manage 10% of its total investment portfolio.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 20139 is added to the Government Code,*
2 *to read:*

3 20139. (a) *On or before January 1, 2012, the board shall*
4 *adopt a policy that sets forth a goal to utilize emerging investment*
5 *managers to manage 10 percent of its total investment portfolio.*
6 *This policy shall include quantifiable goals for the management*
7 *of assets in specific asset classes by emerging investment managers.*

8 (b) *For purposes of this section, the following definitions shall*
9 *apply:*

10 (1) *“Disadvantaged business enterprise” means small business*
11 *concerns that are at least 51 percent owned and controlled by*
12 *socially and economically disadvantaged individuals.*

13 (2) *“Emerging investment manager” means a qualified*
14 *investment adviser that manages an investment portfolio of at least*
15 *ten million dollars (\$10,000,000) but less than one billion dollars*
16 *(\$1,000,000,000) and is a disadvantaged enterprise.*

17 ~~SECTION 1. It is the intent of the Legislature to enact~~
18 ~~legislation to encourage equal opportunity, and to establish~~
19 ~~quantifiable goals, for state pension fund utilization of emerging~~
20 ~~investment managers in the management of assets in specific asset~~
21 ~~classes.~~